DOCUMENT RESUME

JC 970 212

ED 407 028

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TITLE	Transforming Your College To Meet the New Financial Realities: The Seneca Experience.
PUB DATE	Feb 97
NOTE	9p.; In: Walking the Tightrope: The Balance between Innovation and Leadership. Proceedings of the Annual International Conference of the Chair Academy (6th, Reno, NV, February 12-15, 1997); see JC 970 185.
PUB TYPE	Reports - Descriptive (141) -- Speeches/Meeting Papers (150)
EDRS PRICE	MF01/PC01 Plus Postage.
DESCRIPTORS	*College Planning; Community Colleges; *Cooperative Planning; Educational Finance; *Financial Exigency; Foreign Countries; Governing Boards; Institutional Survival; Job Layoff; Program Termination; *Retrenchment; Two Year Colleges
IDENTIFIERS	Seneca College of Applied Arts and Technology ON

ABSTRACT

Seneca College is the designated community college for the City of North York, in the Greater Toronto Area, and is the most culturally diverse college in Ontario, with over 70 languages spoken by students. It also offers the largest business and among the largest applied science programs in Canada. In November 1995, in response to severe reductions in funding, the college undertook a comprehensive planning process designed to give voice to all constituencies in responding to the cuts while maintaining academic quality, financial viability, and employment stability. The process involved the following steps: (1) the development by the Board of criteria and academic, fiscal, and general guidelines for the creation of an action plan; (2) the development of a draft plan, synopsizing research on the fiscal climate, providing appropriate operating principles, revising institutional objectives as needed, and providing specific recommendations for achieving goals and objectives; (3) the collection of feedback from the college community, including full- and part-time student governments, staff councils, alumni, and the college's executive committee; and (4) the finalization of recommendations by the college President. Specific recommendations of the final plan, adopted at a public Board meeting, included 54 recommendations related to restructuring the college to eliminate two vice presidential positions, program terminations, and the elimination of 141 staff positions. (BCY)

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TRANSFORMING YOUR COLLEGE TO MEET THE NEW FINANCIAL REALITIES:

THE SENECA EXPERIENCE

By

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U.S. DEPARTMENT OF EDUCATION
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Paper Presented at the
Sixth Annual International Conference for
Community & Technical College Chairs, Deans, and Other Organizational Leaders
February 12 - 15, 1997
Reno, Nevada

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Stephen E. Quinlan was born and raised in the Province of Ontario, was educated at the University of Windsor and graduated with an Honours Degree in Business Adminstration.

Upon graduation, he was employed for a number of years with an international firm of management consultants. In the early days of Ontario's community college movement, Mr. Quinlan joined the teaching faculty of Seneca College. In the ensuing years, he has taught and administered in several academic divisions of the College, including post-secondary, occupational training and continuing education. He has held administrative posts including several academic Deanships, Special Assistant to the President, Vice-President, Finance and Administration, Vice-President Academic, and Senior Vice-President. Mr. Quinlan was appointed to the position of President effective February 1, 1992.

Transforming Your College to Meet the New Financial Realities: The Seneca Experience

Seneca College of Applied Arts and Technology: An Overview

Seneca College is the designated community college serving the City of North York, (one of six urban municipalities comprising Metropolitan Toronto), and the Regional Municipality of York, which has a mixture of northward-expand-ing mixed urban and rural demography. This area lies in the north centre of the Greater Toronto Area (GTA). The total population of the GTA is around 2.5 million.

The enrolment in full-time diploma and certificate post-secondary programs in the Fall 1996 was 13,808. Seneca is the most culturally diverse college in Ontario with over 70 different languages spoken by our student body. Seneca's Business programs are the largest of any college or university in Canada; and its Applied Sciences and Engineering enrolment is also among the largest. Other strengths include programs such as Government and Legal Services; Social Services including Law Enforcement; and certain unique programs such as Aviation Flight Technology and Underwater Skills. The number of skills or trades programs is small.

Added credentials and upgraded technical skills are increasingly sought by employed persons through part-time and evening studies. Many of these programs involve partnerships with government, industry, professional associations, and employers. Other programs address the needs of unemployed persons and those requiring preparation for college level study. Venues range from college campuses to work sites. Together with short courses, and workshops, and general interest subject offerings, registrations in these programs total about 100,000 per annum.

The Fiscal Challenge

In November 1995 new financial realities confronted the College with some of the greatest challenges it had faced in its 28-year history. At that time the Ontario Government announced a $3.5 billion reduction in provincial spending which, in turn, would decrease funding for transfer recipients, including those to the province's Colleges of Applied Arts and Technology. Seneca's specific portion of the cutbacks was not clear at that time, but was estimated to be between $10 to $18 million.

Immediately, communication was established with the entire college community advising them of the severity of the impending cutbacks and that it was the college's intention to be prepared to act in the interests of it's students and employees, and to adopt the best possible alternatives under difficult times.

A Proactive Response

The Seneca Board of Governors, held an emergency board meeting in the form of a full-day action planning workshop, facilitated by an external consultant. The board approved a comprehensive planning process to help the community adapt to reduced fiscal support for the 1996/97 fiscal year and beyond. This process would be used to guide the college community as it developed an active and responsible plan to achieve the approved goals of academic quality, financial viability and employment stability. The Board-approved planning process was designed to give voice to all constituencies and offer all employees and students an opportunity to express their views and innovative ideas for appropriate actions.

The steps in the Board initiated process involved:

- the development of criteria and guidelines by the Board to guide the action plan recommendations;
- the development of a Draft Action Plan, to address the challenge;
- feedback from the College community, review and comments on the Draft by a President's Ad Hoc Advisory Council (PAAC); and,
- finalization of the recommendations by the President prior to submission to the Board of Governors on January 30, 1996.

The guidelines as developed by the Board of Governors are provided below:

Academic Guidelines

Retain and develop program specializations based upon attractiveness and effectiveness, and on current and future employment and career opportunities for graduates.

Forgo involvement in program/activities which can be better delivered by other organizations or colleges.

Provide learning opportunities that incorporate the most effective learning modes, access to resources, and visible support systems.

Be oriented to the future in terms of program design and be committed to the appropriate use of technology.

Fiscal Guidelines

Develop and submit recommendations which will lead to balanced budgets for the 1996/7, 1997/8 and 1998/9 fiscal periods.

Develop fiscal recommendations that will preserve flexibility in operations and which will allow for subsequent decisions and amendments in response to new information or impacts.

Pursue entrepreneurial initiatives which generate revenue and contribute to the ultimate goals of the College.

Develop strategies for the cost reduction and revenue increase for the three year period which exceed the anticipated requirements in order to compensate for any slippage in individual recommendations, and to provide for potential accomplishments of the targets within a shorter time frame.

Implement accountability and performance measures which allow for tracking of the success of fiscal recommendations, and which provide early warning in order to allow required revisions to fiscal measures and activities.

General Guidelines

Extend the strategic planning process to work actively toward the year 2000.

Play a leadership role in post-secondary system rationalization of programs and services to enhance the College's strengths.

Maintain strong relationships with the local geographical community.

Continue to invest in international activities in order to achieve financial contributions and to support the cultural diversity of our community.

Place priority on services that support or provide value to student learning.

Give a high priority to employee needs in the change process and respond in a humane and timely manner.

An important aspect of the Board of Governors' and senior management's action was that while the very survival of the college was at stake in dealing with this externally imposed fiscal crisis, a knee jerk, unilateral reaction, would be less than adequate. It might also create false hopes that once the crisis had subsided, it would be possible to return to the relative comfort of previous years, or that the status quo could be maintained.

Instead, a strategic decision was made to not only deal with the fiscal crisis at hand, but the critical issues of declining government revenues, in general, and planning for the next decade. It was determined that the real key to our individual and corporate survival was to seize the moment by **transforming** the crisis into an opportunity by developing an action plan that would result in an innovative, competitive, responsive and cost-effective college.

The Consultation Process

The consultation process was achieved through the development and distribu-tion of the College Draft Action Plan by a Presidential Ad Hoc Advisory Council (PAAC).

Draft Action Plan

The Board also gave direction that an inclusive Draft Action Plan be developed by the five College Vice Presidents in accordance with the criteria developed by the Board, and that the Plan be distributed to the College community for discussion and response by all stakeholders.

The Draft Action Plan:

(a) synopsized any research to date and took into account the Minister of Finance's Economic Statement, including any interpretation of his statement by the Ministry of Education and Training;

(b) it provided an appropriate set of operating principles consistent with the Board-approved criteria;

(c) it revised current institutional objectives, as necessary; and,

(d) it provided specific operational recommendations for achieving goals and objectives, and ensuring the efficiency of academic and student support systems.

The Draft Action Plan consisted of six sections containing a total of 54 recommendations. The following identifies the sections and briefly highlights some significant recommendations:

1. <u>Revenue Increase</u>

   - The total of recommended revenue increase or expenditure decreases for each of the next three fiscal years were $10, 460,000; $8,199,000; and $5,986,000 respectively.

   - These were the easiest recommendations to identify and involved the least amount of hardship for the majority of Senecans.

2. College Restructuring

- Restructuring recognized three distinct components of activity: Seneca College, Seneca International, and Seneca Foundation. **Seneca College** involves the traditional post-secondary activity, government contract activity, and continuing education in which we have been involved since 1967. **Seneca International** is conceived as a separate arm's-length organization whose purpose is to develop and pursue international contracts and partnerships in order to contribute ongoing operational and capital funds to Seneca College. **Seneca Foundation** is conceived as a seperate arm's-length organization whose purpose is to advance the college, to conduct fundraising campaigns for endowed faculty Chairs and capital support, and to help forge partnerships and strategic alliances with College alumni and the corporate community. These centres will contribute net funds to Seneca College effective 1997/98.

- Vice President positions were reduced to three from five.

3. Cost Reduction Proposals from Reorganization and Reengineering

- Each of the supporting and facilitating services of the College were reviewed in detail resulting in cost reduction recommendations over the next three years of $1,446,000; $1,022,000: $100,000 respectively.

4. Cost Reduction Proposals from Program Changes, Rationalization and Restructuring of Academic Programs

- A long-term plan that will sustain adequate funding for College programs requires discontinuation of some programs. Identification of programs was through a recently completed program evaluation process. Targeted programs included: Dental Assistant & Dental Hygiene; Mechanical Technician & Mechanical Technologist; Social Services Worker; Palliative Care; Coaching and Outdoor Recreation Technician.

5. Revenue and Expense Implications of Reductions in Provincial and Federal Contract Training

- A considerable portion of the College's Corporate Training and Community Education activity is dependent on contracts from the Provincial and Federal governments. Best projections at the time of the report estimated that there would be decreases of approximately 20%.

6. Human Resource Implications

- To respond to the new funding reality, staffing reductions were unfortunately unavoidable. The total net reduction of full-time positions was 141 employees. This included 27 administrators, 78 faculty and 36 support staff.

- Reductions were to be achieved to the greatest extent possible by means of normal retirements and an early retirement and early leaving incentive programs.

Participation

The role of the President's Ad Hoc Advisory Council (PAAC) was to:

(a) receive College-wide feedback and commentary on the Draft Action Plan;

(b) assess the Draft Action Plan's impact on the College from the point of view of the stakeholders;

(c) endorse areas of agreement and identify areas of disagreement;

(d) report its findings and recommendations to the President by the end of January, 1996.

Membership on PAAC was solicited by invitation to key constituency groups and included full-time and part-time student governments, the Ontario Colleges Administrative Staff Association (OCASA), alumni, advisory committees, and the College Executive Committee. The local union presidents (faculty and support staff) chose not to serve on PAAC. It was chaired by a longstanding College employee who had extensive experience in teaching and administration. He was charged to seek the broadest input possible to ensure that the College Action Plan would embody the collective wisdom of the college community.

In addition to the formal deliberations of PAAC, public hearings were held in early January, 1996 at all major campuses to solicit and receive comments from members of the community.

The consultation process allowed wide discussion throughout the College community; 48 written submissions were presented to PAAC. Over 550 Senecans attended information sessions. The level of analysis and critical commentary supplied by so many employees was particularly impressive.

The College Action Plan

Following receipt of the Draft Action Plan, the recommendations of PAAC were received by the President. A final College Action Plan was developed and submitted to the Board at a public meeting attended by more than 150 Senecans.

The plan was approved by the Board of Governors with only a few amend-ments. It served as the basis for immediate and future academic planning and guidance for the review and development of the 1996/97 budget and preliminary budgets for 1997/98 and 1998/99

In times of economic tension and ambiguity, the development of a sound proactive action plan has allowed the Seneca College community to focus its attention on tne significant challenges it will face.